

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the matter of)	
)	
Multi-Association Group (MAG) Plan for)	
Regulation of Interstate Services of Non-Price)	CC Docket No. 00-256
Cap Incumbent Local Exchange Carriers and)	
Interexchange Carriers)	
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Access Charge Reform for)	CC Docket No. 98-77
Incumbent Local Exchange Carriers)	
Subject to Rate-of-Return Regulation)	
)	
Prescribing the Authorized Rate of Return for)	
Interstate Services of Local Exchange Carriers)	

**OPPOSITION TO PETITION FOR RECONSIDERATION
OF THE COMPETITIVE UNIVERSAL SERVICE COALITION**

Puerto Rico Telephone Company, Inc. ("PRTC"), by its undersigned attorneys, hereby opposes the request by the Competitive Universal Service Coalition ("CUSC") to terminate immediately Long Term Support ("LTS"). CUSC claims that (1) the co-existence of LTS and Interstate Common Line Support ("ICLS") will result in double recovery and (2) the elimination of LTS is necessary to satisfy the requirement that universal service support be explicit. Both claims are incorrect, and CUSC has provided no reason for the Commission to depart from its decision to retain LTS at this time.

CUSC claims without support that the co-existence of LTS and ICLS will “result in unjustified double recovery.”¹ Plainly, this is not the case. The Commission determined that retaining LTS “is warranted to ensure the stability of membership in the NECA common line pool during the transition to a more efficient common line rate structure.”² As a result, LTS will be available for NECA common line pool members, and the ICLS will be available for carriers that set rates outside the NECA common line pool as the common line rate structure is adjusted in accordance with the MAG Order. These pools will serve essentially the same function — supporting interstate common line costs — while they both exist, but this does not mean that a carrier would recover the same costs simultaneously from both pools. Indeed, the Commission specifically addressed this concern when it concluded that a carrier receiving LTS will have LTS payments imputed to it for purposes of calculating its ICLS support.³ The Commission has fully addressed the calculation of both LTS and ICLS, and therefore, CUSC’s claims of double-recovery are unfounded.

CUSC also claims that elimination of LTS is necessary to ensure that universal service support is explicit.⁴ CUSC does not explain how elimination of LTS will satisfy the requirement that universal service support be explicit, but in any event, the support is already explicit. LTS payments “constitute a universal service support mechanism” that “serve the public interest by

¹ CUSC Petition for Reconsideration at 9 (citing CUSC Comments, CC Docket No. 96-45 at 10 (filed Feb. 26, 2001)).

² Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, Second Report and Order and Further Notice of Proposed Rulemaking, 16 FCC Rcd 19613 ¶ 139 (2001).

³ Id. at ¶ 141.

⁴ CUSC Comments at 9.

reducing the amount of loop cost that high cost LECs must recover from IXC's through CCL charges.”⁵ The Commission made this universal service support explicit when it “removed LTS from the interstate access charge system and modified its calculation and distribution scheme.”⁶ No further steps are necessary with respect to LTS to make this support mechanism explicit. Like other forms of explicit support, LTS is portable and provided on a competitively neutral basis.

For these reasons, the Commission should uphold its decision in the MAG Order to retain LTS universal service support.

Respectfully submitted,

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⁵ Federal-State Joint Board on Universal Service, First Report and Order, 12 FCC Rcd 8776, 9164 (¶ 756), 9165 (¶ 757) (1997) (“USF First Report and Order”).

⁶ MAG Order, 16 FCC Rcd at ¶ 22 (citing USF First Report and Order, 12 FCC Rcd at 9165 (¶ 757)).